



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-063]

Cast Iron Soil Pipe Fittings from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2017-2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that certain producers and/or exporters of cast iron soil pipe fittings (soil pipe fittings) from the People's Republic of China (China), received countervailable subsidies during the period of review (POR) December 19, 2017, through December 31, 2018.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Dennis McClure or Joseph Dowling, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5973 or (202) 482-1646, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the *Preliminary Results* of the administrative review in the *Federal Register* on October 23, 2020.¹ We invited interested parties to comment on the *Preliminary Results*.

¹ See *Cast Iron Soil Pipe Fittings from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review*, 85 FR 67515 (October 23, 2020) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

On November 23, 2020, we received a case brief from Wor-Biz Industrial Product Co., Limited (Anhui) (Wor-Biz).^{2, 3} On November 30, 2020, we received a rebuttal brief from the petitioner.⁴ For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.⁵

Scope of the Order⁶

The product covered by the *Order* is cast iron soil pipe fittings from China. For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised by parties in the case and rebuttal briefs are addressed in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is provided in the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the *Preliminary Results*

Based on our analysis of the case and rebuttal briefs, and the evidence on the record, Commerce made no changes to the preliminary results.

² On January 8, 2020, Commerce published its final determination in a changed circumstances review, finding that Wor-Biz Industrial Product Co., Ltd. (Anhui) is the successor in interest to Wor-Biz Trading Co., Ltd. (Anhui). See *Cast Iron Soil Pipe Fittings from the People's Republic of China: Final Results of Changed Circumstances Reviews*, 85 FR 881 (January 8, 2020).

³ See Wor-Biz's Letter, "Cast Iron Soil Pipe Fittings from the People's Republic of China: Comments on Preliminary Results," dated November 23, 2020.

⁴ See Petitioner's Letter, "Cast Iron Soil Pipe Fittings from the People's Republic of China: Rebuttal Brief, dated November 30, 2020. The petitioner in this review is the Cast Iron Soil Pipe Institute, which is a trade association, whose members are all domestic producers of cast iron soil pipe fittings.

⁵ See Memorandum, "Issues and Decision Memorandum for the Final Results of the 2017-2018 Countervailing Duty Administrative Review of Cast Iron Soil Pipe Fittings from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁶ See *Cast Iron Soil Pipe Fittings from the People's Republic of China: Countervailing Duty Order*, 83 FR 44566 (August 31, 2018) (*Order*).

Methodology

Commerce conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁷ The Issues and Decision Memorandum contains a full description of the methodology underlying Commerce's conclusions, including any determination that relied upon the use of adverse facts available (AFA) pursuant to sections 776(a) and (b) of the Act.

Rate for Non-Selected Companies Under Review

There are nine companies for which a review was requested, but which were not selected as mandatory respondents or found to be cross-owned with a mandatory respondent. For these nine companies, we applied the subsidy rate calculated for Wor-Biz, as the only rate calculated for a mandatory respondent that was above *de minimis* and not based entirely on facts available. This methodology for establishing the subsidy rate for the non-selected companies is consistent with our practice and with section 705(c)(5)(A) of the Act.

Final Results of Administrative Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a countervailable subsidy rate for the mandatory respondent Wor-Biz. We determined the countervailable subsidy rate for Qinshui Shunshida Casting Co., Ltd. based entirely on AFA, in accordance with section 776 of the Act. We also assigned an individual estimated subsidy rate based on AFA to entries produced or exported by Wor-Biz's unaffiliated supplier, Wuhu Best Machines Co., Ltd., in accordance with section 776 of the Act. Therefore, the only rate that is not zero, *de minimis*, or based entirely on facts otherwise available is the rate calculated for Wor-Biz. Consequently, as discussed above, the rate calculated for Wor-Biz is also assigned as the rate for all other

⁷ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

producers and exporters subject to this review but not selected for individual examination (*i.e.*, non-selected companies).

We find the countervailable subsidy rates for the mandatory and non-selected respondents under review to be as follows:

Producer/Exporter	Subsidy Rate (percent)
Qinshui Shunshida Casting Co., Ltd.	109.32
Wor-Biz Industrial Product Co., Ltd. (Anhui)	5.13 ⁸
Wuhu Best Machines Co., Ltd.	109.32
Non-Selected Companies Under Review:	
	Subsidy Rate (percent)
Dalian Lino F.T.Z. Co., Ltd.	5.13
Dalian Metal I/E Co., Ltd.	5.13
Dinggin Hardware (Dalian) Co., Ltd.	5.13
Golden Orange International Ltd.	5.13
Hebei Metals & Engineering Products Trading Co., Ltd.	5.13
Richang Qiaoshan Trade Co., Ltd.	5.13
Shanxi Zhongrui Tianyue Trading Co., Ltd.	5.13
Shijiazhuang Asia Casting Co., Ltd.	5.13
Yangcheng County Huawang Universal	5.13

Assessment Rates

Pursuant to 19 CFR 351.212(b)(2), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review, for the above-listed companies at the applicable *ad valorem* assessment rates listed. Consistent with its recent notice,⁹ Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is

⁸ This rate applies to subject merchandise exported by Wor-Biz Industrial Product Co., Ltd. (Anhui) and produced by companies other than Wuhu Best Machines Co., Ltd.

⁹ See *Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings*, 86 FR 3995 (January 15, 2021).

filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Instructions

In accordance with section 751(a)(2)(C) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective companies listed above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

Administrative Protective Orders

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(5).

Dated: January 27, 2021.

Christian Marsh,
Acting Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Final Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Period of Review
- V. Subsidies Valuation Information
- VI. Changes Since the Preliminary Results
- VII. Use of Facts Otherwise Available
- VIII. Analysis of Programs
- IX. Analysis of Comments
 - Comment 1: Whether to Use the Value-Added Tax (VAT) Rates Provided by Wor-Biz or the Government of China
 - Comment 2: Whether to Adjust the Electricity for Less-Than-Adequate-Remuneration (LTAR) Calculation to Reflect a VAT- Exclusive Subsidy Rate
- X. Recommendation

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